

## NEW SOUTH WALES.

BUSINESS STATISTICS - 29th January, 1941.

War activities continue to promote greater employment, the expansion of secondary industries (particularly in the production of war equipment), active conditions in domestic trade and increased traffic (with greater profits) in State transport services. Building enterprise continues, but may decrease. Though seasonal conditions are now favourable the uncertainty of adequate shipping space clouds the outlook for rural industries.

C O N T E N T S.

|        |   |   |
|--------|---|---|
| PART I | <u>Season:</u>                                | Conditions favourable. Improved maize and potato prospects.   |
|        | <u>Export Prices and External Conditions:</u> | Shipping difficulties and storage in Australia. Export prices steady. Industrial conscription in U.K. Successful loan and defence expenditure in U.S.A. Eastern Group Supply Council. |
|        | <u>Currency Relationships:</u>                | Sterling firm in New York. America to aid stabilisation of National Chinese currency.   |
|        | <u>Wool:</u>                                  | Conditions in U.S.A. British exports Jan.-Sept., 1940.  |
|        | <u>Wheat:</u>                                 | F.a.q. of 1940-41 wheat (N.S.W.) Plans for distribution of Commonwealth £1 m. grant for wheatgrowers. Prices ease in Chicago. Local market steady.                                    |
|        | <u>Butter:</u>                                | Production increasing. Intra-State quota, Feb., 1941. Regulation of margarine production in Australia.  |
|        | <u>Metals:</u>                                | Prices steady in London. Supply position of spelter. Proposed production of aluminium in N.S.W.   |
| II     | <u>Retail Trade:</u>                          | Employment (N.S.W.) December, 1940.<br>City shops - Activity in Nov. and Sept.-Nov., 1940.  |
| III    | <u>Employment:</u>                            | Persons employed (N.S.W.) - mid-December, 1940.   |
|        | <u>Manufacturing Industries:</u>              | Employment (N.S.W.) - mid-December, 1940.<br>42 Large Factories - Sales, etc. Nov. and Jan.-Nov., 1940.   |
|        | <u>Gas &amp; Electricity:</u>                 | Index of Consumption (Sydney) - December, 1940.   |
|        | <u>Coal:</u>                                  | Coal hauled by Rail - Year 1940.<br>Employment in Collieries - December, 1940.  |
|        | <u>Railways, N.S.W.:</u>                      | Passengers, Freight & Finance - Nov. & July-Nov., 1940.   |
|        | <u>Trams &amp; Buses:</u>                     | Passengers and Finance - Nov. & July-Nov., 1940.  |
|        | <u>Building Permits Metropolis:</u>           | Value, and<br>No. of Dwellings - December and Year, 1940.   |

## BUSINESS STATISTICS - 29th January, 1941

## PART I PRIMARY AND EXPORT INDUSTRIES.

SEASON: Throughout the State pastures are improving rapidly as a result of the December-January rains. Butter production has increased and is almost normal for the time of the year. Coastal & tablelands late maize crops have developed well. The inland potato harvest is likely to be the best for several years.

EXPORT PRICES AND  
EXTERNAL TRADE  
CONDITIONS:

The situation is generally unchanged. British shipping losses increased to 58,212 tons in the week ended Jan. 20 but still remained much below the high tonnage in Sept.-Nov., 1940. Beside actual losses the liberal use of shipping in support of the campaign in North and East Africa has reduced space available for transport of goods. The Australian Agricultural Council has approved plans to increase cold storage facilities in Australia as it is doubtful if the space available will admit of shipment of all butter, meat, etc. in periods of heavy production. These additional facilities will be financed in equal proportions by Commonwealth and State Governments, and will contribute to preparedness against an emergency by providing reserve stocks in strategical positions.

The export price index (Commonwealth Bank) continues at about 82 per cent. of the 1927 average and is about 25 per cent. above the average for the year ended June, 1939.

Mr. Bevin disclosed that the British War Cabinet has decided shortly to apply industrial conscription to ensure systematic recruitment of labour for the war effort. Popular opinion in the country fully endorses the decision.

From Washington it is reported that a bill to raise the United States national debt limit from \$49,000 m. to \$65,000 m. and to remove the tax exemption from Federal securities has been introduced. The recent \$600 m. loan was over-subscribed  $4\frac{1}{2}$  times. Huge orders for the defence programme and to further aid to Britain are being placed daily and the House of Representatives has passed a bill appropriating \$313 m. to finance mass construction of 200 freighters. The President has asked for appropriation of \$175 m. to clothe the Army.

Stock markets in London and New York show only slight movements, but the upward trend of share prices in London has halted.

British and Australian representatives have been appointed to the Eastern Group Supply Council at Delhi. The work of this Council will bear very significantly upon industrial development in Australia.

Other developments of economic importance are evidence of weakening of the economic blockade by supplies reaching Germany through Russia; plans of the Netherlands to accumulate food reserves against the time of peace and reconstruction; and a report that the transfer of certain British industries to Canada has begun.

INTERNATIONAL  
CURRENCY  
RELATIONSHIPS.

In the free market in New York the sterling-dollar rate of exchange is steady and has been maintained at or very slightly above the official British rate of \$4.03 to £stg. over the past five months. Movements of the sterling-dollar rate in New York during the war period were:-

|             | <u>1939.</u> | <u>1940.</u> |              |              |             |                       |
|-------------|--------------|--------------|--------------|--------------|-------------|-----------------------|
|             | <u>Aug.</u>  | <u>May.</u>  | <u>July.</u> | <u>Sept.</u> | <u>Dec.</u> | <u>Jan. 22, 1941.</u> |
| £ to \$stg. | 4.61         | 3.28         | 3.81         | 4.04         | 4.04        | 4.04                  |

According to press reports an American mission is to visit China. One of its tasks will be to assist the Chungking Government in its endeavour to stabilise the National currency, for which a United States Stabilisation Fund loan of \$100 m. (£A.31 $\frac{1}{4}$  m.) is said to have been made. Quotations of the Shanghai yuan in New York showed a very sharp fall during the war with Japan:-



## PART I (Continued)

|                             | <u>Av. 1935.</u> | <u>Av. 1938.</u> | <u>Nov. 1939.</u> | <u>Sept. 1940.</u> | <u>Oct. 1940.</u> |
|-----------------------------|------------------|------------------|-------------------|--------------------|-------------------|
| Cents to yuan<br>(Shanghai) | 36.57            | 21.36            | 8.35              | 5.21               | 5.68              |

Obviously it is of paramount importance that the Government of Chiang Kai-shek should retain the confidence of the Chinese people. This it could not hope to do if it became patent that the currency would continue to fall in value and perhaps become worthless. Hence the recent moves by Britain and the United States to afford financial aid to China have very important political implications which bear vitally upon the strategic situation in the Far East.

WOOL. In trade circles it is believed unlikely that the 1940-41 Australian clip will be appreciably smaller than that of 1939-40 as increases in other States may offset the decline in New South Wales.

Appraisalment of wool continues in Sydney and within a few weeks the main appraisalment series will end.

A record quantity (82.45 m.lb.) of wool was consumed in United States mills in October, and consumption was again heavy (76 m.lb.) in November, 1940. American imports of wool in 1940 were believed to be the largest for 15 years but stocks of apparel wool on Dec. 1, 1940 were estimated to be 295 m.lb. compared with an average of 376 m. lb. at the corresponding date of the preceding 10 years. There are good prospects for heavy absorption of Australian wool in the United States this year for civilian as well as military purposes.

United Kingdom exports of woollens and worsteds in Jan.-Sept., (70,130,000 sq. yds.) were only slightly less in 1940 than in 1939 but woollen tops (23,541,000 lb.) and worsted yarns (9,828,000 lb.) decreased by 22 and 40 per cent. respectively, reflecting the loss of markets on the Continent.

Prices of merino wool tops in Bradford are over 50 per cent. above the pre-war level, but artificial fibres have increased in price during the war by only from 20 to 25 per cent.

WHEAT. The f.a.q. (fair average quality) standard for 1940-41 wheat in New South Wales has been determined as  $62\frac{3}{4}$  lb. to a bushel. This is the lowest f.a.q. weight for some years and compares with  $63\frac{1}{4}$  and  $63\frac{1}{2}$  lb. a bushel in 1939-40 and 1938-39 respectively.

The Australian Agricultural Council decided allocation of the £1 million provided by the Commonwealth Government for relief to wheat growers on a basis giving £320,000 for distribution to growers in New South Wales (including A.C.T.). Distribution is proposed on an acreage basis, to growers whose harvest did not reach a yield to be determined, with per acre payments adjusted to a sliding scale related to the yield obtained.

Futures quotations in Chicago continued to decline and on Jan. 28, May options were 3 cents a bushel lower than at the beginning of the year. Prices in Winnipeg remain at approximately the pegged minima.

On Jan. 25, 1941 the Australian Wheat Board's price for bagged wheat for produce trade was increased by  $2\frac{1}{2}$ d. a bushel "necessitated by a temporary shortage of bagged wheat" and stated that bulk wheat (produce) would be available from country silos at 4d. a bus. less than the prices quoted for bagged wheat. Prices for wheat for local flour are unchanged at for bagged wheat, 4s.0 $\frac{3}{4}$ d. and for bulk wheat 3s.11 $\frac{1}{4}$ d. a bus., f.o.r. Sydney. There has been some demand for wheat for export flour orders. The price of flour in local trade remains at £12.13s. a ton.

PRICES OF WHEAT IN NEW SOUTH WALES.

|                        | Seasons ended November.         |       |       |        | December. |          | Jan. 29, |
|------------------------|---------------------------------|-------|-------|--------|-----------|----------|----------|
|                        | Av. 1931-35.                    | 1937. | 1939. | 1940.  | 1939.     | 1940.    | 1941.    |
|                        | Shillings and pence per bushel. |       |       |        |           |          |          |
| Bulk Wheat             |                                 |       |       |        |           |          |          |
| Ex trucks, Sydney      | 2 9½                            | 5 3   | 2 5   | (3 4)  | 3 5(b)    | 3 11½(b) | 3 11¼(b) |
| Equivalent, ex farm    |                                 |       |       |        |           |          |          |
| at country sidings (a) | 2 2½                            | 4 8   | 1 9½  | (2 10) | (c)       | (c)      | (d)      |

- (a) Exclusive of bounty. (b) Prices for sale for local consumption.  
(c) Farmers received about 2s.10d.(net) a bus. for 1939-40 bulk wheat.  
(d) Not yet ascertainable. Initial advance gives about 2s.5d. a bus. (net)  
at country sidings.

BUTTER. Butter and cheese production is now increasing rapidly in all principal dairying districts in New South Wales, and a steady accumulation of stocks of butter is reported. Production of butter is also well maintained in Queensland but tends to decline in Victoria and South Australia. The quota determining the quantity of butter made permitted to be sold within the State in February, 1941 is a reflection of butter production prospects in the main butter producing States of Australia. At 37 per cent. this is about normal for this stage of the season. Quotas fixed for February in recent years compare as under:-

|  | <u>1935.</u> | <u>1936.</u> | <u>1937.</u> | <u>1938.</u> | <u>1939.</u> | <u>1940.</u> | <u>1941.</u> |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Proportion of butter made for sale within the State. |              |              |              |              |              |              |              |
| February.  | 29%          | 34%          | 38%          | 36%          | 43%          | 36%          | 37%          |

Under the Dairy Industry (Amendment) Act, 1940 which came into operation this month margarine manufactures are required to be licensed. The production of table margarine in New South Wales is to be limited to 1,248 tons a year or 24 tons a week. Similar legislation is being passed in all States.

The price of butter (wholesale) in Sydney is 158s.8d. a cwt. and under the contract with the British Ministry of Food an f.o.b. return of 137s.2d. (Aust.) a cwt. is paid for butter shipped to the United Kingdom. Butter prices compare as under:-

PRICES OF BUTTER - SYDNEY - EXPORT AND LOCAL.

|               | Average - Seasons ended June.   |          |          |       |        | Jan. 29,<br>1941. |
|---------------|---------------------------------|----------|----------|-------|--------|-------------------|
|               | 1929-32.                        | 1933-36. | 1937-39. | 1939. | 1940.  |                   |
|               | Shillings (Australian) per cwt. |          |          |       |        |                   |
| Export Parity | 135                             | 88       | 122      | 123   | 137(a) | 137(a)            |
| Local Sales.  | 173                             | 134      | 150      | 159   | 159    | 159               |

(a) Agreed price for British purchase, 1939-40 and 1940-41.

METALS. The maximum prices of metals fixed by the British Ministry of Supply (sterling, per ton) for electrolytic copper (£62), lead (£25) and spelter (£25 15s.) have remained unchanged since December, 1939.

During the past week there were only minor fluctuations in the prices of tin and silver in the open market in London. Movements in the sterling prices of tin (to nearest £) and of silver over the war period were as follow:-



## PART I (Continued)

|                    | <u>Aug.,</u><br><u>1939.</u> | <u>Jan.,</u><br><u>1940.</u> | <u>June</u><br><u>1940.</u> | <u>Sept.,</u><br><u>1940.</u> | <u>Nov.,</u><br><u>1940.</u> | <u>Dec.,</u><br><u>1940.</u> | <u>Jan.28,</u><br><u>1941.</u> |
|--------------------|------------------------------|------------------------------|-----------------------------|-------------------------------|------------------------------|------------------------------|--------------------------------|
| Tin (£ per ton)    | 230                          | 241                          | 274                         | 251                           | 258                          | 257                          | 257                            |
| Silver (d.per oz.) | 17.5                         | 21.9                         | 22.7                        | 23.4                          | 23.2                         | 23.0                         | 23.2                           |

Stocks of spelter held by American producers fell by more than 100,000 tons to 22,600 tons in the first fourteen months of the war. United States' smelting capacity (810,000 tons a year) is adequate, but full use of this capacity is likely to take some time to achieve. The present tight supply position of spelter is not expected to retard armament and munitions production in Britain or America.

It is reported that a British expert is to come to Australia to establish the manufacture of aluminium from bauxite deposits in New South Wales.

## PART II FINANCE AND TRADE.

RETAIL TRADE. Very active trading conditions prevailed in Sydney in December, 1940 and there was a rather larger than usual seasonal increase in persons employed in retail shops. Except in rare instances consumers' requirements have been amply satisfied, the result in many lines of replacement of formerly imported goods by Australian made articles.

The number of persons employed in New South Wales in retail firms with ten or more employees was greater in December, 1940 than ever before and the Sept.-Dec. increase last year considerably exceeded that of the same period of the preceding three years:-

| <u>In Firms with Ten or more Employees:</u> | <u>1937.</u> | <u>1938.</u> | <u>1939.</u> | <u>1940.</u> |
|---|--------------|--------------|--------------|--------------|
| Employees in December.                      | 57,364       | 58,716       | 58,967       | 60,357       |
| Increase in do.                             | 5,949        | 6,376        | 6,309        | 7,158        |
| do. in Sept.-Dec.                           | 7,510        | 7,827        | 7,791        | 8,975        |

Particulars of persons employed in these shops in December show that there has been an appreciable increase in the city of Sydney and the Newcastle district, little change in the suburbs of Sydney and lessened employment in country shops:-

## EMPLOYMENT IN RETAIL TRADE - NEW SOUTH WALES.

| Middle Week<br>of<br>December | Sydney.   |          | Newcastle<br>District. | Country<br>Towns. | Total - N.S.W. |                                |
|-------------------------------|---|----------|------------------------|-------------------|----------------|--------------------------------|
|                               | City.   | Suburbs. |                        |                   | Number         | Increase in<br>year ended Dec. |
|                               | Persons employed in firms with ten or more employees. |          |                        |                   |                |                                |
| 1937                          | 41,372  | 4,193    | 2,634                  | 9,165             | 57,364         | 2,860                          |
| 1938                          | 42,328  | 4,297    | 2,820                  | 9,271             | 58,716         | 1,352                          |
| 1939                          | 42,876  | 4,254    | 2,814                  | 9,023             | 58,967         | 251                            |
| 1940                          | 44,252  | 4,286    | 2,929                  | 8,890             | 60,357         | 1,390                          |

CITY SHOPS. The value of sales in a group of large city shops in November, 1940 was 13.0 per cent. greater than in November, 1939. Avoiding month to month fluctuations in comparisons with a year earlier, the value of sales this year increased in three monthly periods as follows:-

## Three months ended - (1940)

|                                   | June | July | August | Sept. | Oct. | Nov. |
|-----------------------------------|------|------|--------|-------|------|------|
| Increase over same period of 1939 | 6.3% | 5.6% | 7.3%   | 7.5%  | 5.5% | 5.9% |

Taking into account the rise in prices these increases do not suggest much change in physical volume of retail trade. These shops were accumulating stocks until in August 1940 the value of goods on hand was 25½ per cent. greater than a year earlier, but by November the increase compared with a year ago had been reduced to 12 per cent. with the increase of 43.4% in piece goods the outstanding item.

These shops had 2.1 per cent. more employees and their salaries and wages bill showed an increase of 5.3 per cent. in Nov., 1940 in comparison with Nov., 1939.



## PART III INDUSTRIES.

EMPLOYMENT. In December, 1940 the progressive increase in employment under the influence of war activities of preceding months was augmented by the seasonal movement connected with the Christmas trade. The number of persons employed in New South Wales in the middle week of that month (907,311) was easily a record, and was 31,845 greater than in December, 1939. That increase may be taken as a rough measure of the effects on the economy of ever-growing war expenditure, in particular in the production of war materials (reflected in the rapid growth of factory employment); the enhanced export income of 1939-40 and in the first half of 1940-41; and the maintenance of business confidence at a high level.

The growth of employment by months in the latter half of 1940 and the preceding year was:-

|      | July                               | Aug.  | Sept. | Oct.   | Nov.  | Dec.   | July-Dec. |
|------|------------------------------------|-------|-------|--------|-------|--------|-----------|
|      | Increase in persons in employment. |       |       |        |       |        |           |
| 1939 | 1,776                              | 1,525 | 6,629 | 11,614 | 6,812 | 18,605 | 43,911    |
| 1940 | 8,666                              | 6,914 | 3,700 | 6,435  | 3,647 | 21,503 | 50,865    |

The war has necessitated an increase in the number of persons employed by Commonwealth and State Governments but by far the greater part of the increase has taken place in private employment. In the year ended December, 1940 private employers added 25,418 persons to their paysheets compared with increases of 9,766 in 1938 and 14,755 in 1939. Since December, 1937 local government employees have decreased in number by 6,691 (or by  $26\frac{1}{2}$  per cent.).

## INCREASE IN PERSONS IN EMPLOYMENT IN NEW SOUTH WALES.

|                   | In Private<br>Employ. | In Govern-<br>ment Employ. | In Local<br>Govt. Employ. | In all<br>Employ. | In All<br>Factories. |
|-------------------|-----------------------|----------------------------|---------------------------|-------------------|----------------------|
| Dec. 1936 to 1937 | 49,485                | 8,300                      | 5,906                     | 63,691            | 19,100               |
| " 1937 to 1938    | 9,766                 | 3,000                      | - 3,065                   | 9,701             | 1,600                |
| " 1938 to 1939    | 14,755                | 3,500                      | - 2,483                   | 15,772            | 8,700                |
| " 1939 to 1940    | 25,418                | 7,570                      | - 1,143                   | 31,845            | 18,600               |

A considerable part of the added labour force has been drawn from the unemployed. The number of adult males registered as unemployed at State Labour Exchanges decreased from 45,461 in Dec., 1939 and 50,851 in May, 1940 to 28,741 at the end of December, 1940. There remains the special problem of the virtually unemployables, but in general the major problem is now one of securing and training necessary additional labour from the hitherto non-wage-earning classes to satisfy the needs of war industries and offset the large number of workers drawn off into the fighting services.

The appended table illustrates employment trends over the past five years and reveals the rapid expansion of employment in factories as the outstanding development. In mines, shops, warehouses, offices and road transport and shipping, employment has either been maintained or has increased a little. The increase under "personal services" was mainly in hospital staff, though in Dec. 1940, amusements showed an appreciable increase compared with Dec., 1939.

## EMPLOYMENT IN NEW SOUTH WALES.

(Excluding Relief Workers and men in the Armed Forces not on civil paysheets.)

|   | Persons employed in middle week of - |             |             |             |             |             | Increase: Dec., 1940 over - |             |
|---|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-----------------------------|-------------|
|   | Dec. 1936.                           | Dec., 1937. | Dec., 1938. | Dec., 1939. | Nov., 1940. | Dec., 1940. | Dec., 1939.                 | Dec., 1936. |
|   | 000                                  | 000         | 000         | 000         | 000         | 000         | %                           | %           |
| All Employment                              | 800.4                                | 850.0       | 852.7       | 875.5       | 885.8       | 907.3       | 3.6                         | 13.3        |
| Private "                                   | 652.9                                | 699.2       | 708.9       | 723.7       | 728.3       | 749.1       | 3.5                         | 14.7        |
| All Factories                               | 209.0                                | 228.1       | 230.1       | 240.4       | 252.5       | 259.0       | 7.7                         | 23.9        |
| <u>In Firms with Ten or More Employees:</u> |                                      |             |             |             |             |             |                             |             |
| Mines                                       | 18.7                                 | 19.8        | 21.7        | 21.4        | 21.2        | 21.3        | - 0.5                       | 13.9        |
| Retail Trade                                | 54.5                                 | 57.4        | 58.7        | 59.0        | 53.2        | 60.4        | 2.4                         | 10.8        |
| Wholesale Trade                             | 24.3                                 | 25.4        | 26.3        | 26.5        | 26.0        | 26.3        | - 0.8                       | 8.2         |
| Offices & Commerce                          | 25.6                                 | 26.4        | 27.6        | 29.4        | 30.5        | 29.7        | 1.0                         | 16.0        |
| Ship'g & Rd. Transp't                       | 19.9                                 | 22.4        | 22.4        | 20.9        | 19.6        | 22.0        | 5.3                         | 10.6        |
| Personal Services ø                         | 27.1                                 | 28.3        | 29.2        | 29.8        | 30.3        | 31.0        | 4.0                         | 14.4        |
| Other Industries                            | 19.0                                 | 20.4        | 20.6        | 19.2        | 19.2        | 18.4        | - 4.2                       | - 3.2       |

ø Includes hospitals, professions, amusements, hotels, etc. (-) denotes decrease

There is every indication that the avenues for employment are increasing though labour will be displaced in some industries as unnecessary forms of civilian consumption are curtailed. Some important industrial unions are opposing overtime work and this may intensify the already serious problems of skilled labour supply. Although higher and the wider incidence of taxation will tend to reduce spending power, this may perhaps only roughly counterbalance the higher level of wage-earnings generally.

MANUFACTURING INDUSTRIES. An increase of 6,500 in the number of persons employed in factories in New South Wales in the month ended in the middle week of December, 1940 continued the upward trend of the war period. There were 259,000 factory employees, or 18,600 more than in Dec., 1939. This record level was 43 per cent. above the average in 1928-29 (the peak pre-depression year). Some very large factories to produce war goods are yet to come into production and factory building permits continue at a high level. Hence, still further growth of secondary industries is in prospect. Except for the interruption due to the coal industry stoppage in March-May, 1940 employment in factories increased in each month of 1940. In December, 1940 the number of factory workers was 34,300 greater than in August, 1939 (but some part of this large increase was due to the usual pre-Christmas expansion). Monthly particulars are:-

|      | <u>Jan.</u>                                       | <u>Feb.</u> | <u>Mar.</u> | <u>Apr.</u> | <u>May</u> | <u>June</u> | <u>July</u> | <u>Aug.</u> | <u>Sept.</u> | <u>Oct.</u> | <u>Nov.</u> | <u>Dec.</u> |
|------|---|-------------|-------------|-------------|------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|
|      | Persons employed in N.S.W. factories - thousands. |             |             |             |            |             |             |             |              |             |             |             |
| 1939 | 223.1   | 228.1       | 230.8       | 229.2       | 229.4      | 229.0       | 224.6       | 224.7       | 227.4        | 232.6       | 236.7       | 240.4       |
| 1940 | 235.9   | 237.3       | 241.3       | 235.3       | 225.7      | 234.5       | 239.9       | 243.9       | 246.2        | 249.6       | 252.5       | 259.0       |

Particulars of employment in factories with ten or more employees (appended) show unmistakably the influence of the war upon industrial development. Between December 1938 and December, 1940, employment increased in the industrial metals group by 27 per cent., in chemicals, paints, etc. by 24 per cent. and in textiles and clothing by 13 per cent. Changes (per cent.) over the year ended December, 1940 are shown at foot of the table.

/EMPLOYMENT .....



## EMPLOYMENT IN FACTORIES WITH TEN OR MORE EMPLOYEES, N.S.W.

| Middle Week of -                | Cement, Bricks, Glass &c.               | Chemicals. | Industrial Metals. | Textiles & Clothing. | Food and Drink. | Wood-work-ing &c. | Paper and Printing. | Rubber. |
|---------------------------------|---|------------|--------------------|----------------------|-----------------|-------------------|---------------------|---------|
|                                 | Number of Persons Employed - Thousands. |            |                    |                      |                 |                   |                     |         |
| December, 1935                  | 8.56                                    | 5.75       | 48.31              | 33.20                | 24.99           | 8.60              | 12.32               | 2.84    |
| 1938                            | 12.19                                   | 7.11       | 61.04              | 37.00                | 28.49           | 10.28             | 14.64               | 3.81    |
| 1939                            | 12.15                                   | 8.41       | 66.60              | 39.23                | 30.14           | 10.33             | 15.42               | 3.84    |
| September, 1940                 | 12.39                                   | 8.94       | 71.54              | 40.82                | 29.14           | 10.07             | 14.42               | 3.64    |
| November, "                     | 12.65                                   | 8.78       | 74.44              | 41.72                | 30.46           | 9.95              | 14.36               | 3.64    |
| December, "                     | 12.75                                   | 8.85       | 77.52              | 41.91                | 32.01           | 10.20             | 14.45               | 3.62    |
| Increase - Dec., 1939 to 1940 % | + 4.9                                   | + 5.2      | +16.4              | + 6.8                | + 6.2           | - 1.3             | - 6.3               | - 5.7   |

In 42 large factories sales in November, 1940 were a record for the month, and total sales in Jan.-Nov. (£38.95 m.) were 9 per cent. greater in 1940 than in 1939 (£35.54 m.) In these factories, between November 1939 and 1940, the number of employees had increased by  $7\frac{1}{2}$  per cent. and the weekly salaries and wages bill had risen by  $12\frac{1}{2}$  per cent. - the latter the result of higher wage rates and overtime working.

Comparative details illustrating the development of secondary industries since the depression are given below:-

## MANUFACTURING INDUSTRIES - NEW SOUTH WALES.

|      | All Factories.               |              | 42 Large Factories. |                 |                          |  |                 |                          |
|------|------------------------------|--------------|---------------------|-----------------|--------------------------|--|-----------------|--------------------------|
|      | Employment.                  |              | Month of November.  |                 |                          | January to November<br>(monthly average) |                 |                          |
|      | December.                    |              |                     |                 |                          |  |                 |                          |
|      | Number.                      | Index<br>No. | Sales.              | Employ-<br>ees. | Wages<br>Paid<br>Weekly. | Sales.                                   | Employ-<br>ees. | Wages<br>paid<br>Weekly. |
|      | 1928-29 =<br>180,756     100 |              | £000                | 000             | £000                     | £000                                     | 000             | £000                     |
| 1932 | 142,800                      | 79           | 2,326               | 15.6            | 56.0                     | 2,042                                    | 14.6            | 53.2                     |
| 1937 | 228,100                      | 126          | 3,437               | 23.6            | 95.9                     | 3,047                                    | 22.5            | 87.1                     |
| 1938 | 230,100                      | 127          | 3,305               | 24.0            | 98.9                     | 3,139                                    | 23.5            | 95.6                     |
| 1939 | 240,400                      | 133          | 3,841               | 23.9            | 101.8                    | 3,231                                    | 23.1            | 96.2                     |
| 1940 | 259,000                      | 143          | 3,911               | 25.7            | 114.5                    | 3,541                                    | 24.1            | 104.6                    |

Ø Subject to revision.

GAS AND ELECTRICITY. The amount of gas and electricity consumed in Sydney and suburbs in the year 1940 was 35 per cent. greater than average consumption in 1929-31 and 5.3 per cent. greater in December, 1940 than in December, 1939. The expansion of secondary industries accounts for much of the increase and beside growing population, other factors are the wider use of modern power and lighting in business and domestic spheres. Sales of gas and electricity have increased in each year since 1932.

## INDEX OF CONSUMPTION OF GAS AND ELECTRICITY - SYDNEY.

|               | 1929.                                  | 1932. | 1936. | 1937. | 1938. | 1939. | 1940. |
|---------------|--|-------|-------|-------|-------|-------|-------|
|               | Index Numbers: Average, 1929-31 = 100. |       |       |       |       |       |       |
| December      | 105                                    | 99    | 101   | 106   | 116   | 131   | 138   |
| Calendar Year | 105                                    | 96    | 112   | 119   | 123   | 131   | 135   |

/COAL .....

COAL. The quantity of coal hauled by N.S.W. Government railways was approximately 7,140,000 tons in the year ended December, 1940, compared with 8,410,132 tons in 1939. The decrease in 1940 was attributable to the cessation of production during the industrial dispute in March-May; in the latter half of the year the quantity of coal hauled was 12 per cent. greater in 1940 than in 1939.

Employment in collieries is being maintained about the highest level of the post-depression period, but owing to more efficient methods of extraction and handling, the number of employees is about 30 per cent. below the average in 1927.

| <u>December.</u>            | <u>1928.</u> | <u>1936.</u> | <u>1937.</u> | <u>1938.</u> | <u>1939.</u> | <u>1940.</u> |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Men employed in Collieries. | 21,700       | 13,700       | 14,400       | 16,300       | 16,800       | 17,500       |
| ø yearly average.           |              |              |              |              |              |              |

The report of the Royal Commission appointed in January, 1940 to enquire into pensions for mine workers, has been presented. Compulsory retirement on pensions of all coal and shale mine workers at 60 years of age has been recommended.

Increased wages and higher rates for workers' compensation insurance have increased costs of coal production.

RAILWAYS. Unprecedented industrial activity and generally buoyant economic conditions have resulted in a marked increase in railway traffic, and with it in a very significant improvement in the financial results of this undertaking:-

RAILWAYS, N.S.W. EXCESS OF REVENUE OVER WORKING EXPENSES.

|      |      | July. | Aug. | Sept. | Oct. | Nov. | Total 5<br>Months. |
|------|------|-------|------|-------|------|------|--------------------|
| 1938 | £000 | 373   | 392  | 383   | 303  | 443  | 1,894              |
| 1939 | £000 | 370   | 502  | 669   | 618  | 586  | 2,745              |
| 1940 | £000 | 808   | 824  | 769   | 791  | 661  | 3,853              |

An accelerated movement of wool to ports contributed to the increase in 1940, when for the five months goods ton mileage was 22 per cent. and the number of passengers carried was 5.3 per cent. greater than in July-Nov., 1939. Wage increases accounted for part of the increase of 6 per cent. in working expenses, which was far outweighed by the increase of 17.0 per cent. in gross earnings. Comparative particulars are:-

NEW SOUTH WALES GOVERNMENT RAILWAYS.

|      | Month of November.     |                       |                      | Five Months ended November. |                       |                      |
|------|------------------------|-----------------------|----------------------|-----------------------------|-----------------------|----------------------|
|      | Passenger<br>Journeys. | Goods Ton<br>Mileage. | Working<br>Surplus.ø | Passenger<br>Journeys.      | Goods Ton<br>Mileage. | Working<br>Surplus.ø |
|      | Million                | Million               | £000                 | Million                     | Million               | £000                 |
| 1931 | 10.8                   | 123                   | 188                  | 50.5                        | 587                   | 1,222                |
| 1937 | 15.9                   | 158                   | 554                  | 77.9                        | 750                   | 2,626                |
| 1938 | 15.5                   | 169                   | 443                  | 79.5                        | 734                   | 1,894                |
| 1939 | 14.3                   | 174                   | 585                  | 74.0                        | 808                   | 2,745                |
| 1940 | 15.5                   | 193                   | 661                  | 78.0                        | 1,073                 | 3,853                |

ø Excess of earnings over working expenses, exclusive of interest, etc. charges which in 1939-40 amounted to £6,561,000.

ROAD TRANSPORT SERVICES have also carried more passengers owing to the greater number in employment, improved circumstances of wage-earners, and travelling by soldiers, etc. The number of passengers carried on Government trams and buses in Sydney and Newcastle in November and the five months ended November were each a record, and with the increase in earnings (5.6%) far greater than in working expenses (1.6%) the financial result for the five months ended November improved in 1940 by £75,000 or by 29.5 per cent. in comparison with 1939.



## GOVERNMENT TRAMWAY AND OMNIBUS SERVICES - SYDNEY AND NEWCASTLE.

|      | Month of November. |                   |                   |              | Five months ended November. |                   |                   |              |
|------|--------------------|-------------------|-------------------|--------------|-----------------------------|-------------------|-------------------|--------------|
|      | Earn-ings.         | Working Expenses. | Working Surplus.ø | Passen-gers. | Earn-ings.                  | Working Expenses. | Working Surplus.ø | Passen-gers. |
|      | £000               | £000              | £000              | million      | £000                        | £000              | £000              | million      |
| 1937 | 348                | 293               | 55                | 30.5         | 1698                        | 1424              | 274               | 147.7        |
| 1938 | 362                | 303               | 59                | 31.5         | 1750                        | 1523              | 227               | 151.6        |
| 1939 | 370                | 309               | 61                | 31.3         | 1798                        | 1544              | 254               | 152.6        |
| 1940 | 394                | 315               | 79                | 34.3         | 1898                        | 1569              | 329               | 163.2        |

ø Excess of earnings over working expenses exclusive of interest, sinking fund, exchange and depreciation totalling in 1939-40, £671,000.

BUILDING PERMITS - METROPOLIS.

Note: Building permits do not include Government buildings.

Applications anticipatory to building control raised permits to the wartime record of £1,453,534, mainly due to an all time record for flats. Building in 1940 was marked by further decline in the city, a high level of house-building, contraction of flat projects and shop proposals, and a relatively high level of factory building.

Dwelling units provided for in 1940 numbered 9,558, a decline of 20% in comparison with 1938, which was greater for flats than houses.

Prospects for the building industry appear uncertain.

Permits were granted in December, 1940 in Sydney and suburbs for buildings of a value of £1,454,000. This was the highest total of the war period, but a rush for permits before operation of the Building Control regulations (from Dec. 5, 1940) robs figures for November and December of comparative significance. For instance, in December permits for flats (£667,000) and for buildings in the city (£403,000) were roughly four times the average values in the preceding months of 1940, though private building proposals were diminishing prior to November, as the following monthly comparisons reveal:-

| <u>Monthly Average.</u> |                 | <u>July.</u> | <u>Aug.</u> | <u>Sept.</u> | <u>Oct.</u> | <u>Nov.</u> | <u>Dec.</u> | <u>Total, year ended Dec.</u> |
|-------------------------|-----------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------------------------|
| <u>Mar.Qr.</u>          | <u>June Qr.</u> |              |             |              |             |             |             |                               |

Value of building permits granted - £000.

|      |      |      |      |      |      |      |      |      |        |
|------|------|------|------|------|------|------|------|------|--------|
| 1938 | 1035 | 1230 | 1741 | 1202 | 1110 | 933  | 1325 | 937  | 14,042 |
| 1939 | 952  | 1077 | 1522 | 1209 | 800  | 1205 | 797  | 602  | 12,219 |
| 1940 | 775  | 993  | 1048 | 956  | 840  | 833  | 1284 | 1454 | 11,718 |

Contracts placed for Commonwealth and State public buildings totalled £894,000 in the year 1940. Particulars by quarters of the value of private and public buildings proposed in Sydney and suburbs are as follow:-

|                   |      | 1939.    |         | 1940.   |          |          |         |
|-------------------|------|----------|---------|---------|----------|----------|---------|
|                   |      | Sept.Qr. | Dec.Qr. | Mar.Qr. | June Qr. | Sept.Qr. | Dec.Qr. |
| Private Buildings | £000 | 3,531    | 2,603   | 2,324   | 2,979    | 2,844    | 3,571   |
| Public            | £000 | 487      | 248     | 73      | 245      | 318      | 258     |
| Total             | £000 | 4,018    | 2,851   | 2,397   | 3,224    | 3,162    | 3,829   |

During 1940 private building proposals in the city area totalled less than in any year since 1934. Late in the year amounts were affected by the special circumstances noted above, and this may have had some part in the near approach of the total in the suburbs to that of 1939.

/Comparative.....

Comparative details of the value of permits are:-

|            |      | December Quarter. |       |       | Year ended December. |        |        |        |        |
|------------|------|-------------------|-------|-------|----------------------|--------|--------|--------|--------|
|            |      | 1938.             | 1939. | 1940. | 1936.                | 1937.  | 1938.  | 1939.  | 1940.  |
| City       | £000 | 854               | 440   | 623   | 2,309                | 2,543  | 3,409  | 1,886  | 1,534  |
| Suburbs    | £000 | 2,339             | 2,163 | 2,948 | 7,821                | 8,717  | 10,633 | 10,334 | 10,184 |
| Metropolis | £000 | 3,193             | 2,603 | 3,571 | 10,130               | 11,260 | 14,042 | 12,220 | 11,718 |

The outstanding feature of the building returns for December, 1940 was the extraordinary total for flats. The amount for houses and for shops fell below the averages for earlier months of this year but for factories was, next to November, 1940, the highest total of the war period, and a much above average amount was also recorded for "other" buildings.

The year's permits show that a high level of house-building was maintained in 1940 and except in respect of shops and "other" buildings, the amounts for each class of building were comparable with those of 1939. Percentage comparisons are given at foot of the appended table:-

Value of Building Permits Granted - Sydney and Suburbs.

| Period         |      | Houses. |                 | Flats.<br>(a) | Hotels,<br>Guest<br>Houses. | Shops<br>(b) | Factor-<br>ies.<br>(c) | Other<br>Build-<br>ings. | Total. |
|----------------|------|---------|-----------------|---------------|-----------------------------|--------------|------------------------|--------------------------|--------|
|                |      | Brick.  | Wood,<br>Fibro. |               |                             |              |                        |                          |        |
| December, 1938 |      | 324     | 50              | 253           | 21                          | 26           | 68                     | 194                      | 936    |
| 1939           |      | 255     | 38              | 96            | 81                          | 24           | 65                     | 43                       | 602    |
| November, 1940 |      | 446     | 58              | 228           | 61                          | 76           | 218                    | 197                      | 1,284  |
| December, "    |      | 326     | 43              | 669           | 13                          | 21           | 156                    | 226                      | 1,454  |
| Year           | 1937 | 3,745   | 559             | 2,256         | 329                         | 744          | 1,372                  | 2,255                    | 11,260 |
| "              | 1938 | 4,902   | 898             | 3,400         | 846                         | 580          | 985                    | 2,431                    | 14,042 |
| "              | 1939 | 4,477   | 918             | 2,782         | 530                         | 516          | 1,330                  | 1,666                    | 12,219 |
| "              | 1940 | 4,699   | 883             | 2,683         | 608                         | 373          | 1,175                  | 1,297                    | 11,718 |
| Movement -     |      |         |                 |               |                             |              |                        |                          |        |
| 1939 to 1940   | %    | + 4.9   | - 3.8           | - 3.6         | + 14.7                      | - 27.7       | - 11.7                 | - 22.1                   | - 4.1  |

Including (a) conversions to flats (b) shops with dwellings and (c) public garages.

Building prospects generally were reviewed briefly in B.S. 1941/1B at pages 11 and 12 and are uncertain. The high value of proposals in November and December is unlikely to be repeated, and it is possible that the declining trend of July-Oct., 1940 may be resumed.

DWELLINGS. Because of the exceptional volume of flat proposals (comprising 1,005 dwellings) the number of net additional dwellings (1,346) included in building permits in the Metropolis in December, 1940 was greatest of any month of the post-depression period. Individual houses numbered 341, compared with 298 in Dec., 1939, and 395 in Dec., 1938.

Successive quarterly totals for dwellings proposed in 1940 were 1,775, 2,654, 2,244, and 2,885, but the increase in the last quarter may be accepted as incidental. On that assumption the impression is one of diminishing activity in the provision of new housing. The net number of additional dwellings proposed in 1940 (9,558) was 2,297 or 20 per cent. less than in 1938. Comparative details are given as follow:-



PART III (Continued).

DWELLINGS INCLUDED IN PRIVATE BUILDING PERMITS -  
SYDNEY AND SUBURBS.

| Type of Dwelling.              | Year ended December. |       |        |        |       | Movement.<br>1939 to 1940. |
|--------------------------------|----------------------|-------|--------|--------|-------|----------------------------|
|                                | 1936.                | 1937. | 1938.  | 1939.  | 1940. |                            |
| Houses - Brick, etc.           | 3,509                | 3,702 | 4,652  | 4,186  | 4,249 | + 1.5%                     |
| - Wood, Fibro, etc.            | 877                  | 1,150 | 1,685  | 1,661  | 1,457 | - 12.3%                    |
| Total - Houses                 | 4,386                | 4,852 | 6,337  | 5,847  | 5,706 | - 2.4%                     |
| Flats - In New Buildings       | 3,340                | 3,436 | 5,184  | 3,751  | 3,802 | + 1.4%                     |
| - In Converted Bldgs.          | 449                  | 494   | 419    | 338    | 219   | - 35.2%                    |
| With Shops, Hotels, etc.       | 199                  | 144   | 239    | 201    | 114   | - 43.3%                    |
| Total - Flats, etc.            | 3,988                | 4,074 | 5,842  | 4,290  | 4,135 | - 3.6%                     |
| Grand Total                    | 8,374                | 8,926 | 12,179 | 10,137 | 9,841 | - 2.9%                     |
| Less Demolitions & Conversions | 321                  | 436   | 326    | 315    | 283   | - 10.2%                    |
| Net Additional Dwellings       | 8,053                | 8,490 | 11,853 | 9,822  | 9,558 | - 2.7%                     |

Of the new flat dwellings included in permits in 1940 more than one-third the number were proposed in November and December; without that abnormal spurt, an appreciable decrease would have occurred in comparison with 1939. Trends in the provision of housing, distinguishing individual houses and flats etc. since 1929 are illustrated below. Flat building is still more popular than in the pre-depression year and at no time since the depression did house-building regain the level of a decade ago.

NUMBER OF DWELLINGS INCLUDED IN BUILDING PERMITS - SYDNEY AND SUBURBS.

|      | Houses                    |                 | With $\phi$<br>Shops. | In new<br>Flats. | Flats in<br>converted<br>Buildings. | Demoli-<br>tions & Con-<br>versions. | Net Addit-<br>ional $\phi$<br>Dwellings. |
|------|---------------------------|-----------------|-----------------------|------------------|-------------------------------------|--------------------------------------|--|
|      | Brick<br>etc.             | Wood,<br>Fibro. |                       |                  |                                     |                                      |  |
|      | Number of Dwelling Units. |                 |                       |                  |                                     |                                      |  |
| 1929 | 5,704                     | 1,391           | 550                   | 2,040            | 507                                 | 338                                  | 9,854                                    |
| 1930 | 1,418                     | 374             | 112                   | 283              | 181                                 | 138                                  | 2,230                                    |
| 1931 | 237                       | 133             | 33                    | 13               | 37                                  | 57                                   | 396                                      |
| 1932 | 332                       | 153             | 46                    | 66               | 65                                  | 95                                   | 567                                      |
| 1933 | 745                       | 181             | 133                   | 735              | 167                                 | 172                                  | 1,789                                    |
| 1934 | 2,020                     | 330             | 112                   | 1,732            | 266                                 | 248                                  | 4,212                                    |
| 1935 | 2,793                     | 529             | 173                   | 3,535            | 550                                 | 322                                  | 7,258                                    |
| 1936 | 3,509                     | 877             | 199                   | 3,340            | 449                                 | 321                                  | 8,053                                    |
| 1937 | 3,702                     | 1,150           | 144                   | 3,436            | 494                                 | 436                                  | 8,490                                    |
| 1938 | 4,652                     | 1,685           | 239                   | 5,184            | 419                                 | 326                                  | 11,853                                   |
| 1939 | 4,186                     | 1,661           | 201                   | 3,751            | 338                                 | 315                                  | 9,822                                    |
| 1940 | 4,249                     | 1,457           | 114                   | 3,802            | 219                                 | 283                                  | 9,558                                    |

ø Hotels included with shops since 1936, but in net total only in preceding years.